SK MILK MARKETING BOARD

UPDATE

May 16, 2011

WE'RE MOVING!!!!

On **June 20, 2011**, the Saskatchewan Milk Marketing Board (SaskMilk) will be relocating. **Please make note of the new address, telephone and fax number.**

SaskMilk
444 McLeod Street
Regina, SK S4N 4Y1
Telephone (306) 949-6999
Fax (306) 949-2605

QUOTA EXCHANGE

The market-clearing price established for the May, 2011 Quota Exchange was **$27,499.00.**

The next Quota Exchange will be held on June15, 2011. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SMMB office by midnight, June 6, 2011. The SMMB recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange. Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange. The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase.

The results of the Quota Exchange are outlined in the following Table.

MAY, 2011 QUOTA EXCHANGE RESULTS SUMMARY

Market Clearing Price per kilogram of butterfat	**$27,499.00**
Daily Kilograms offered to Purchase	**11.78**
Kilograms offered to Sell	**18.00**
Kilograms sold	**11.78**
Number of Producers	
- offered to purchase	**2**
- purchased quota	**2**
- offered to sell	**4**
- sold quota	**2**

MAY, 2011 QUOTA EXCHANGE CLEARING PRICE RESULTS

Price ($/daily kg b.f.)	No. of Sellers	Cumulative Sellers	Daily Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Daily Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
27,000.00	1	1	2.00	2.00	-9.78	11.78	0.00	2	0
27,499.00	**1**	**2**	**10.00**	**12.00**	**0.22**	**11.78**	**0.00**	**2**	**0**
27,500.00	1	3	3.00	15.00	3.22	11.78	0.00	2	0
27,750.00	1	4	3.00	18.00	6.22	11.78	0.00	2	0
28,000.00	0	4	0.00	18.00	6.22	11.78	1.78	2	1
29,000.00	0	4	0.00	18.00	8.00	10.00	10.00	1	1

TRANSFER CREDIT SUMMARY REPORT

MONTH	# OF PRODUCERS TRANSFER IN	# OF PRODUCERS TRANSFER OUT	TOTAL KGS BUTTERFAT
April	21	14	15,941
May	16	12	16,293
June	17	14	17,870
July	12	9	7,641
August	7	7	6,926
September	15	21	28,149
October	15	12	18,550
November	23	21	31,871
December	25	26	33,472
January/11	27	20	29,306
February	25	19	25,424
March	38	34	37,078
April	21	14	20,912

OVER QUOTA (OVER 10 DAYS) REPORT BY MONTH

MONTH	# OF PRODUCERS	KGS BUTTERFAT
April	16	3,158
May	9	2,330
June	5	360
July	4	504
August	0	0
September	0	0
October	1	2
November	2	615
December	1	307
January 2011	0	0
February	2	134
March	0	0
April	1	104

SUMMARY REPORT OF CREDITS AS OF April, 2011 – 186 PRODUCERS

DAYS	# OF PRODUCERS	POSITIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)
+10	1	831
+ 5 to +10	10	6,482
0 to + 5	21	5,222
TOTAL	32	12,535
DAYS	**# OF PRODUCERS**	**NEGATIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)**
-20	20	-25,997
-15 to -20	31	-91,164
-10 to -15	32	-64,512
-5 to -10	35	-36,244
0 to -5	36	-10,703
TOTAL	154	-228,620

LOST OPPORTUNITY REPORT

MONTH	# OF PRODUCERS	LOST OPPORTUNITY (KGS OF BUTTERFAT)
April	5	3,319
May	5	4,097
June	5	4,108
July	6	4,673
August	10	7,398
September	8	3,646
October	10	5,986
November	33	25,200
December	20	6,612
January, 2011	18	3,201
February	20	5,047
March	13	2,251
April	20	5,157

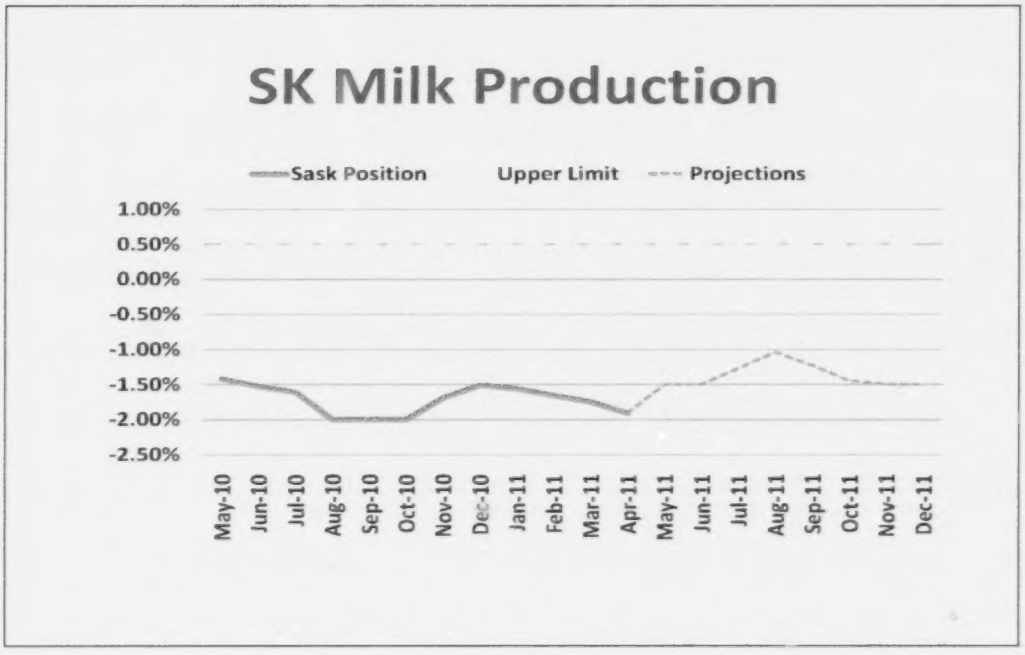
WEIGHTED AVERAGE COMPONENT TESTS & PRICES April, 2011

Components	Average Test	Price per kilogram Class 1 to 5
Butterfat	3.8140	$11.296204
Protein	3.3092	$8.296191
Other Solids	5.7118	$1.201649

Based on the average component tests for the province, the average price received was $77.4020 per hectolitre. **The average butterfat price received per kilogram was $20.29.**

SASKATCHEWAN MILK POOL RESULTS April, 2011

Milk Sale Revenue	$ 15,065,589.94
Western Milk Pool	$ - 498,567.35
Audit Adjustment	$ 180,497.71
Dairy Farmers of Canada Skim Off	$ - 18,225.64
Plant of Last Resort Service	$ - 56,078.71
Total Pool Value	**$ 14,673,215.95**



DIRECTORS' CORNER – JACK FORD

At our recent board meeting, it was decided that each Board member should take turns writing a short article for the newsletter to give the membership a sense of where we are at from several different perspectives.

I will start out by attempting to give all of you an overview of what others in the province are thinking.

Swift Current- most of the producers in attendance at the meeting were most interested in the provincial quota situation. They were quite concerned with the upper flexibility limit that CDC/CMSMC has imposed on the provinces and they felt that an upper limit of +.5% was far too restrictive (the Warman meeting and the Fort Qu'Appelle meeting shared these thoughts). The one strong message that was delivered was that in the event of a possible penalty, cut quota, do not take away flexibility.

Warman- the members in this meeting were also very interested in the flexibility question. The overall reaction was to maintain +10,-20 days. Some people asked about "floating" the 30 day flexibility in relation to where the province is at. It was agreed that this is something to look at. One producer asked about "capping" quota value. This question was met with strong resistance. This question and the same response also came up in Fort Qu'Appelle. There was concern that the COP is not keeping up with our actual costs.

Fort Qu'Appelle- this meeting shared the same views as the two previous meetings except it was much more focused on CQM. Producers wanted to know how we were making out with our WMP partners when talking about bonus add-ons. The only thing we could say is that we are working on it. It was pointed out that CQM is voluntary and to go mandatory would require a producer vote. People were also asking about a new entrant policy. It was pointed out that a New Entrant program was part of our "plan" when forming a marketing board and that the government has given us 18 months to respond. This means we need to have something to take to the members by the fall meetings.

I have been involved with the research file for seven years now and as I pointed out at the spring meetings, with the federal and provincial government involvement along with the very large special donor, **the project has been deemed fully funded by the university!** The final design should be completed very soon and the project should go to tender by late July/early August for a completion date of May 2012. We have received very positive support for the project from SaskCanola and now SaskFlax. Both groups are most interested in the gallery and public education aspect.

Thank-you for your support of the board.

PRODUCER SURVEY SUMMARY

At the latest round of producer meetings producers were given the opportunity to respond to the following question:

Should the Board explore a mandatory Board controlled credit transfer system with a set price?
Yes No

Results of the survey are summarized below.

Total Surveys: 105

Yes: 65 or 61.9%

No: 37 or 35.2%

Undecided: 3 or 2.9%

The Board has decided that the survey results did not indicate an overwhelming desire to change the transfer credit policy at this time; however they will continue to monitor the situation and consider options that may improve the credit transfer system.

In April, Saskatchewan had a monthly CDC allocation of **737,561 kilograms** of butterfat. In the month of April, Saskatchewan production was **-14,422 kilograms** of butterfat **under** and cumulatively **under** by **-167,923 kilograms** of butterfat. On a percentage basis, Saskatchewan is at **-1.91%** within our CDC allocation flexibility limits based on the Continuous Quota model. The -1.50% lower limit is in effect.

	(1) Monthly Total Production Kgs bf	(2) Total Monthly CDC Quota Allocation Kgs bf	(3) Monthly Over or (Under) Production Kgs bf col. 1 – 2 = 3	(4) Lower Flexibility Limit **(1.5%)** Kgs bf col. 9 * -1.5%	(5) Upper Flexibility Limit **1.0%** Kgs bf col. 9 *1.0%	(6) Cumulative Over or (Under) Production with limits Kgs bf	(7) Cumulative Over or (Under) Production with limits in % col. 6 / 9	(8) Over Quota or (Lost Production Opportunity) Kgs bf	(9) Rolling 12 Month Total Quota Kgs bf
Apr-10	694,816	707,608	(12,792)	(129,004)	43,001	**(107,216)**	**-1.25%**		8,600,248
May-10	708,117	722,125	(14,008)	(128,956)	42,985	**(121,224)**	**-1.41%**		8,597,078
June-10	684,369	694,478	(10,109)	(128,998)	42,999	**(131,333)**	**-1.53%**		8,599,843
July-10	697,489	704,201	(6,712)	(128,936)	42,979	**(138,053)**	**-1.61%**		8,595,753
Aug-10	682,923	717,474	(34,551)	(129,144)	43,048	**(172,194)**	**-2.00%**	(410)	8,609,692
Sep-10	673,445	727,727	(54,282)	(129,713)	43,175	**(172,699)**	**-2.00%**	(53,777)	8,634,934
Oct-10	694,237	756,826	(62,589)	(129,614)	43,207	**(172,830)**	**-2.00%**	(62,458)	8,641,482
Nov-10	686,111	752,717	(66,606)	(130,059)	43,353	**(146,520)**	**-1.69%**	(92,915)	8,670,615
Dec-10	731,120	785,901	(54,781)	(130,400)	43,467	**(131,008)**	**-1.51%**	(70,294)	8,693,300
Jan-11	742,948	758,126	(15,178)	(130,878)	43,626	**(135,861)**	**-1.56%**	(10,324)	8,725,211
Feb-11	673,205	682,398	(9,193)	(131,181)	43,727	**(145,054)**	**-1.66%**	0	8,745,397
Mar-11	748,292	757,012	(8,720)	(175,332)	43,833	**(153,774)**	**-1.75%**	0	8,766,601
Apr-11	723,139	737,561	(14,422)	(175,932)	43,983	**(167,923)**	**-1.91%**	0	8,796,622

(1) Monthly Production in Saskatchewan
(2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward
(3) Difference between the monthly production (1) and the total monthly quota (2)
(4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)
(5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)
(6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)
(7) Equal to Column (6) expressed as a percentage basis within the flexibility limits
(8) Over Quota or (Lost production opportunity) outside of flexibility limits
(9) Total Monthly CDC Quota Allocation for the previous 12 months

FORM DEADLINES TO BE STRICTLY ENFORCED

Producers, please be reminded of the following deadlines for submitting forms to the Board office. All forms must be 100% complete to be considered. **These deadlines will be strictly enforced by the Board, no exceptions.**

When mailing, faxing or emailing forms to the Board, producers should call the Board office to ensure that their forms have been received prior to the deadline.

1. Private Quota Transfers – **forms due by 11:59p.m. on the 6th day of each month for an effective date of the 1st day of the following month. This deadline also applies to farm name changes and moving to new production facilities.**

2. Quota Exchange Bids – **forms due by 11:59p.m. on the 6th day of each month for an effective date of the 1st day of the following month**

3. Transfer Credits – **forms due by 11:59p.m. on the 20th day of each month for an effective date of the 1st day of the same month**

4. Banking Information Changes – **Producers changing bank account information must notify the Board of this change at least 7 days prior to the next producer payment date.**

QUOTA LISTING SERVICE

The SMMB offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the SMMB office at (306)787-5319. All prices and negotiations will be independent of the SMMB.

Quota &/or Cows wanted to Purchase

- Wanted: 40 fresh cows with 14,600 kg b.f. Contact Pieter or Jan. Phone or Fax (306) 329-4686
- Quota wanted up to 100 kg of daily quota for mid to late summer. Contact (306) 947-4702 or (306) 221-9083
- Wanted – baby calves one week and older, also some started calves up to 800 lbs. Contact Ralph Lesage @ (204) 745-7917
- Wanted – Dairy Cows or bred heifers. Call anytime/leave message (604) 855-2731 or (306) 867-2176
- Wanted to purchase cows and quota. Contact Ken (306) 229-4591

Quota & Cows for Sale

- For sale - Rivercrest Land & Cattle: Dairy Cows for sale. Fresh and springers. Registered or Grades. Can fill any order for any amount. Call Tom @ cell (306) 220-0498 or farm (306) 225-4423.

- For sale - Breeding bulls available from high producing Vg/Ex dams. Call Johan de Haan @ Ostara Holsteins Ltd. (306) 778-3992 or (306) 750-7273.

Equipment For Sale

- New Dairymaster Parts available. Grain tank, auger and hydraulics for bale handler. Call Johan de Haan @ Ostara Holsteins Ltd. (306) 778-3992 or (306) 750-7273.

- Pasture mats for sale 4' x 7'. Contact Willie @ (306) 948-2716.

- 3000 gallon Mueller HiPerform milk tank with cooling condensers and compressor. Contact Holstein Haven Ltd. (306) 228-2921 or (306) 228-3846.

- Alfa Laval Agri Maestro Double ten milking parlor made for double seven at present. Contact Holstein Haven Ltd. (306) 228-2921 or (306) 228-3846.

- Like new Knight Reel – Auggie 3250 Stationary Feed Mixer with 15' Conveyer & Electronic Scale – Phone (306) 280-6408

- - manure dumplids 4' x 8' - $400 each
  - 1 – 2,000 imp. gal poly water tank - $500
  - 160 cozy cow mattresses 64" - $25 each c/w heavy duty cover
  - various swing gates 4 and 5 bar, 10 to 14 ft.
  Call Frans @ (306) 826-5776 – home or (306) 823-7262 – Cell

- 2000 U.S. Gallon Alfa-Laval Milk Tank with cooling condensers and compressors. Contact Ferch Farms (306) 736-2205.

- Dairy Equipment for Sale: 1 18" x 10' belt conveyor; 6 Waikato milk meters; 6 Delaval milk machines with vacuum pulsators; Delaval vacuum pump with 7.5 hp motor. Contact Lloyd Sawatzky, Saskatoon, SK Phone (306) 239-4818. Cell (306) 281-2247.

- Harvestore, Goliath and Hercules unloaders; 6 Tru test milk meters; Surge Electrobrain parts; Mueller tank parts. Contact Leonard Blocka (306) 764-8439 or cell (306) 960-6608.

- 16 Waikato milk meters $250 each; 5,000 gallon new Delaval bulk tank, made in U.S.A. $50,000. Contact Corman Holsteins (306) 933-4608

Feed For Sale

- Large round straw bales. Hague area. Can deliver. Contact Mel Foth (306) 232-3462.

- 1,400 forage hay bales for sale with test results at Ardill, SK (60 km. south of Moose Jaw). Contact Daniel Strom @ (306) 354-2635 or email dan-astrom@hotmail.com

- Pure Alfalfa hay for sale. 2010 crop – no rain. Protein 18.8 (Winnipeg test). Organic crop. Wt. average 1,650 lbs. Phone (403) 803-9117.

- 445 Alfalfa Brome Bales $60.00/ton – excellent quality; 347 medium quality $40/ton; 175 poor quality $20/ton. Phone Wayne (306) 847-4450 (home) or (306) 963-7792 (cell). Bales are located at Liberty, SK.

- Hay for sale: Alfalfa or alfalfa/grass…3,000 round bales. Contact Simon Mandel (403) 664-9525.

- 155 hard core 1000 lb bales of 95% Alfalfa for sale. 3rd year crop, no chemicals used. A bit rich for most horses and meat cattle. Good for dairy cows. Located in Bulyea, 1 hour north of Regina. Can arrange for loading. Contact Brenda @ (306) 725-3367.

- For sale: 70 second cut Alfalfa round bales. Net wrapped, no rain, 19.9 protein 1650 lbs. Call (306) 948-2395 Biggar, Saskatchewan.

- Alfalfa for sale. Contact Ron (306) 477-2570 or Ken (306) 374-8980.

- All Large square bales: Flax (awesome for wind break); Canola straw and Greenfeed. Call Jake Boot (306) 867-9926 or (306) 867-3899.

- 2nd cut alfalfa round bales, net wrap. Est. 1400 lbs.; Analysis available; Protein 19.76%. Phone or fax (306) 228-3727; Unity, SK

- 6 quarters of hay/alfalfa available for long-term contract – you specify the preferred mix and handling. Ten minutes north of Estevan (306) 634-4382.

- 134 top quality 2nd cut alfalfa hay bales, very clean, all leaves intact. Call for more info. Taking offers (306) 276-2003 Nipawin

- Dairy Quality Hay 4 Sale – delivered. Contact Dale @ (204) 638-5581. Dauphin, Manitoba.

- 50 Acres Greenfeed barley for sale in Bellevue area (63 day barley seeded July 5). Fields are clean. Can sell standing or baled. Taking offers. Contact Andy Grenier at Home: (306) 423-5682 or Cell: (306) 233-7835.

Miscellaneous

- **KLOK HOOF CARE** is now serving southern Sask. Trained and certified at the Dairyland Hoof Care Institute and again at Iowa State University Vet School! Competitive rates! Contact William Klok @ (403) 894-9587 or klokhoofcare@gmail.com

- First year med student in Saskatoon is looking for a summer job on a dairy farm. Would prefer to stay in the Saskatoon area. Contact Taija Watson (306) 280-5332.

- **Attention: Farm Help Needed?** Actyl Group is Canada's leader in Workforce Solutions and Recruitment and Immigration. We can help solve your labour requirements through the Foreign Worker Program by supplying your farm operation with experienced (veterinarians), skilled, hard working candidates. Several of our clients in Saskatchewan have had excellent results. Please visit our website www.actylcom or contact Trevor Steinke at (306) 569-7935 tsteinke@actyl.com

- Hoof Care Trimming. Modern one of a kind trimming chute. Cattle, horses, donkeys, llamas. 22 years trimming experience. Box 35, Moose Jaw, SK. Telephone (306) 694-4234; cell: (306) 631-8013.

Miscellaneous - Wanted to Purchase

- Used Nasco breeding wheel. Contact El-Nell Farms Ltd., Darren Haupstein @ (306) 842-5655

- Wanted: 300-400 gallon used bulk tank. Call Harvey (306) 842-4701

- Milk Cooling Compressors or bulk tank with milk cooling compressors. Contact Darcy Loewen @ (306) 493-8201 or (306) 493-7631.

- Used bulk tanks, all sizes. 300-600 preferred. Abe Buhr, 18 Westcott Bay, Brandon, Manitoba R7B 2V6 Phone (204) 727-3074.

FREQUENTLY ASKED QUESTIONS

Questions most frequently asked by producers.

What is the maximum amount of transfer credits that I can transfer out in a month?

The maximum transfer credits a producer can transfer out in a month are equal to what the producer's cumulative under position was in the previous month. You can only transfer out to a cumulative position of zero credits.

What is the maximum amount of transfer credits that I can transfer in?

There is no limit to the amount of credits that can be transferred in within a rolling 12 month period. The only limit when transferring in credits would be to not drop below the -30 credit day limit **(-20 credit days effective the end of November)** at the end of each month or you will have lost the opportunity to carry-forward those credits to produce that milk in the future.

SMMB BOARD OF DIRECTORS

	PHONE	EMAIL
Blaine McLeod - Chair	(306) 756-2775	rb.mcleod@sasktel.net
Melvin Foth – Vice Chair	(306) 225-4678	fvl@sasktel.net
David Entz	(306) 741-0632	davidentz3662@gmail.com
Jack Ford	(306) 328-4700	jackford@sasktel.net
Jason Wildeboer	(306) 249-4358	skunkhollow@yourlink.ca
Isaac Klassen	(306) 249-4435	isaac00@sasktel.net
Jim Ross	(306) 697-2232	jimleeholsteins@sasktel.net
Juliann Lindenbach	(306) 771-2776	robella@sasktel.net
Sheldon Peifer	(306) 862-9470	dspeifer@sasktel.net

For further information, please contact the SMMB office.

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